

Senate Committee
on
Budget and Fiscal Review

SUBCOMMITTEE 2
Resources, Environmental Protection, and
Energy

MAJOR ACTION
REPORT

May 30, 2007

Senate Bill 54
2007-08 Budget Bill

Members

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SUBCOMMITTEE No. 2

RESOURCES, ENVIRONMENTAL PROTECTION, AND ENERGY

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NATURAL RESOURCES

0540 Secretary for Resources

- Approved \$13.9 million in Proposition 84 bond funds to support implementation of a settlement agreement between the federal government, local water users, and environmental advocates to restore portions of the San Joaquin River, including channel modifications and ecosystem restoration projects that will be implemented by the Department of Water Resources and Department of Fish and Game.
- Approved \$20.5 million in Propositions 50 bond funds for the River Parkways Program.
- Approved \$10.5 million in Proposition 84 and Proposition 50 bond funds for CALFED Science Program research grants.

3110 Special Resources Program

- Approved \$100,000 GF for a legal position at Tahoe Regional Planning Agency, with budget bill language specifying that the funds can only be used for enforcement of regulations mitigating adverse environmental effects of development near Lake Tahoe.
- Approved \$100,000 GF for a transit position at Tahoe Regional Planning Agency.

3125 California Tahoe Conservancy

- Approved \$39.6 million from bond funds (\$27.3 million from Proposition 84) for the Environmental Improvement Program at Lake Tahoe.
- Approved \$4.8 million for the Lake Tahoe Biomass Utilization project, with a transfer of \$4.1 million to the California Energy Commission for the CEC to distribute the funds in a competitive grant process.

3340 California Conservation Corps

- Approved \$263,000 in Proposition 84 bond funds for administration of the bond.
- Approved \$12 million in Proposition 84 bond funds for local assistance grants.

3460 Colorado River Board of California

- Approved as budgeted.

3480 Department of Conservation

- Approved \$1.9 million in special funds to fund four positions and start-up costs of the Comprehensive Recycling Community (CRC) project. The CRC project intends to increase beverage container recycling by 50 percent in selected communities and to develop strategies, applicable to any community to maximize the recycling potential. This pilot project will select four cities and work with the local governments to implement strategies.
- Approved \$1.1 million to fund five permanent and five three-year limited-term positions to combat fraud in the Beverage Container Recycling Program.
- Approved \$2.4 million in special funds to reduce the negative environmental impacts of beverage containers.
- Approved \$585,000 in special funds for five permanent positions to conduct audits of Surface Mining and Reclamation Act lead agency compliance and financial assurances.
- Approved \$1 million in Proposition 50 bond funds for the Watershed Coordinator Grant Program.

3540 Department of Forestry and Fire Protection

- Approved \$8.8 million in bond funds for urban forestry programs.
- Approved \$912,000 in Proposition 50 bond funds for Sierra Nevada fire management planning.
- Approved \$4.2 million GF to cover planned overtime in fire season.
- Approved budget bill language for a General Fund loan to allow for payment on contracts.
- Approved \$157 million (\$8.1 million GF) for capital outlay projects. Also approved trailer bill language and provisional language on capital outlay project management.
- Approved Supplemental Report Language on contracting with Certified Disabled Veteran Business Enterprises.

3560 State Lands Commission

- Approved \$702,000 from special funds for four positions to carry out Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS) audits and related work. The MOTEMS audits are a regulatory requirement. These audits contain extensive inspection criteria and require engineering analyses to determine the structural, mooring, and berthing capacity of the oil terminals.
- Approved \$1.2 million General Fund to fund the state's portion of remediation work at state-owned land in Selby. These funds are for de-acidification remediation of soils work at certain portions of the site.
- Approved \$568,000 for five positions to perform ballast water testing on vessels entering California ports.
- Approved \$2.7 million GF for a new office building in Seal Beach. The current Huntington Beach office site will be sold as surplus land.

3600 Department of Fish and Game

- Approved \$11.5 million from Proposition 84 bond funds for 14.5 positions and program costs for Coastal Salmonid Monitoring Plan implementation, Coho Recovery Plan implementation, Coastal Steelhead and Chinook Recovery, and the Steelhead Report Card Program. Also approved trailer bill language.
- Approved \$7.4 million in special funds for environmental mitigation, restoration, and enhancement measures for the Yuba Feather River Flood Control Project.
- Approved \$6.8 million in Proposition 84 bond funds for the acquisition of lands for natural resource protection and public access to natural resources, consistent with the Lower Colorado River Multi-Species Habitat Conservation Plan.
- Approved \$4,534,000 in special funds for 34 permanent positions for the California Environmental Quality Act (CEQA) review program.
- Approved \$5,732,000 GF for 16 permanent positions, two limited-term positions, and interagency contract to respond to the Quagga Mussel.
- Approved \$282,000 GF for a one-time augmentation to replace commercial salmon vessel and salmon stamp fees.

3640 Wildlife Conservation Board

- Approved \$25 million in Proposition 84 bond funds for the Natural Communities Conservation Planning program.
- Approved \$5 million in Proposition 84 bond funds for oak woodlands preservation.
- Approved \$5 million in Proposition 84 bond funds for the Rangeland, Grazing Land and Grassland Protection Program.
- Approved \$5 million in Proposition 84 bond funds for integrating agricultural activities with ecosystem restoration and wildlife protection.

3680 Department of Boating and Waterways

- Approved \$12.9 million in special funds for launching facility project grants for local governments.
- Approved \$12 million in special funds for public loans to develop marinas and expand and rehabilitate existing marina facilities.
- Approved \$6 million in special funds to assist local governments with 17 minor capital outlay projects for recreational boating.

3720 California Coastal Commission

- Approved \$380,000 GF for North Coast enforcement.

3760 State Coastal Conservancy

- Approved \$84,443,000 in Proposition 84 bond funds for capital outlay and local assistance.
- Approved \$28 million in Proposition 84 bond funds for the Ocean Protection Council for capital projects and science applications. Of that amount, approximately \$5 million would be for science and the remaining funds for capital outlay.

3780 Native American Heritage Commission

- Approved \$200,000 GF to implement legislative mandates.

3790 Department of Parks and Recreation

- Approved \$30 million in Proposition 1C housing-related parks funds.
- Approved \$2.8 million in Proposition 84 bond funds to develop and administer the Proposition 84 programs.
- Approved approximately \$70 million for capital outlay and land acquisition projects.
- Approved \$30 million for opportunity and inholding acquisitions.
- Approved \$4.1 million GF for contamination remediation measures at the Empire Mine State Historic Park.
- Approved \$5 million GF for the Museum of Tolerance.
- Approved, as three-year limited term positions, 41 administratively created maintenance positions at the Department of Parks and Recreation. The total cost of the positions will be approximately \$13 million out of the \$90 million General Fund for deferred maintenance.

3810 Santa Monica Mountains Conservancy

- Approved \$17 million in Proposition 84 bond funds for protection and restoration of rivers, lakes and streams, watersheds and associated lands, and other natural resources.

3820 San Francisco Bay Conservation and Development Commission

- Approved as budgeted

3825 San Gabriel and Lower Los Angeles Rivers & Mountains Conservancy

- Approved \$25 million in Proposition 84 bond funds for various capital outlay projects.

3830 San Joaquin River Conservancy

- Approved \$8.5 million in Proposition 84 bond funds to the San Joaquin Conservancy which will be used by the Wildlife Conservation Board to acquire lands in the conservancy's area.
- Approved \$3.5 million for public access, recreation, and environmental restoration projects.

3835 Baldwin Hills Conservancy

- Approved trailer bill language to extend the Conservancy for five years.
- Approved \$4,050,000 in Proposition 84 bond funds and reimbursements for protecting and enhancing the two-square mile portion of the Kenneth Hahn State Recreation Area of the Ballona Creek Watershed.

3840 Delta Protection Commission

- Approved as budgeted

3845 San Diego River Conservancy

- Approved language allowing the Conservancy to select \$2.85 million in projects funded through the State Coastal Conservancy.

3850 Coachella Valley Mountains Conservancy

- Approved \$11,514,000 in Proposition 84 bond funds for land acquisition.

3855 Sierra Nevada Conservancy

- Approved \$8.75 million in Proposition 84 bond funds for land acquisition.

3860 Department of Water Resources

- Approved \$369.8 million for evaluating and improving the State's flood control system. Of this amount, \$342.9 million is for local assistance. The funds will support 52 new positions and various flood and levee programs.
- Approved \$165 million for system-wide levee evaluations and repairs.
- Approved \$50 million for evaluations and repairs of non-project (local) levees.
- Approved \$11.9 million for a flood management comprehensive strategic plan.
- Approved \$9.1 million is proposed for an urban streams grant program.
- Approved \$82 million (\$47 million GF) for the lining of the All-American and Coachella Canals.
- Approved \$1.2 million in Proposition 50 bond funds for the CALFED fish passages program.

ENVIRONMENTAL PROTECTION

0555 Secretary for Environmental Protection

- Approved \$306,000 in special funds for the coordination and management of the Global Warming Solutions Act implementation effort.

3900 Air Resources Board

- Approved \$193 million in Proposition 1B bond funds for the replacement of pre-1987 school buses and retrofits old diesel school buses.
- Approved \$250 million in Proposition 1B bond funds for addressing air quality along California's trade corridors.
- Approved \$19.3 million in special funds for 123 positions to work on implementation of AB 32.
- Approved \$1 million GF to cover litigation expenses related to the State's defense of AB 1493.
- Approved \$1.2 million in special funds to implement new regulations for in-use emissions for light-duty vehicles that go into effect in 2007.
- Approved \$2.2 million in special funds to implement regulations adopted to reduce the risk from diesel particulate matter.
- Adopted trailer bill language on clean construction equipment for bond funded projects.

3910 Integrated Waste Management Board

- Approved \$118,000 and trailer bill language for the development and implementation of a state minimum standard and best management practices for landfill operations that controls methane emissions from those facilities by July 1, 2008.
- Approved \$695,000 in special funds for 5.5 permanent positions to continue the coordination, development and promotion of environmental education for all elementary and secondary school students.
- Approved \$435,000 in special funds for five permanent positions to implement the Electronic Waste Recycling Act of 2003. The funds are to implement fraud prevention and compliance assistance, as well as implement and enhance the recovery and recycling payment system.
- Approved \$129,000 in special funds for implementation of SB 1305, the Medical Waste Management Act (Figueroa). CIWMB will implement this Act through public education campaigns, mail-back programs, and monitoring and reporting on the state's progress.
- Approved \$552,000 in special funds for two new positions to implement AB 2296 (Montanez). Specifically, AB 2296 requires a study to determine what conditions could potentially have long-term affects on solid waste landfills and to examine the financial assurance mechanisms to protect the state from long-term post-closure maintenance and corrective action costs at these facilities.
- Approved \$518,000 in special funds for five positions to conduct financial, performance, and other service audits of oil recycling, tire recycling, and electronic waste recycling.

3930 Department of Pesticide Regulation

- Approved \$780,000 in special funds for two limited-term positions to implement a limited-term Pesticide Pollution Prevention Grant Program. This grant program will focus on the implementation of integrated pest management practices that reduce or eliminate pollution and pesticide exposure in agricultural and urban environments.
- Approved \$149,000 in special funds for one position to expand implementation of the Healthy Schools Act to private day care facilities as required by Chapter 865 of the Statutes of 2006 (AB 2865, Torrico). The funds would be used for providing outreach materials and presentations.
- Approved \$634,000 in special funds for five positions to develop and implement pesticide mitigation measures through the adoption of statewide rules, improved occupational outreach programs, and action on pesticide product registrations.
- Approved \$667,000 in special funds for six new positions to provide additional state oversight of field enforcement activities carried out by county agricultural commissioners (CAC) and to establish a training program for conducting CAC hearings.

3940 State Water Resources Control Board

- Approved \$132.5 million in various bond funds for local assistance in water recycling, agricultural drainage loans, wastewater construction, and other water quality related uses.
- Approved \$99.5 million in Proposition 84 bond funds for water pollution control, agricultural water quality, urban storm-water runoff reduction, and clean beaches programs.
- Approved \$12.9 million in one-time special funds for underground storage tank cleanup costs. Of this amount, \$2.9 million would be used for the Orphan Site Cleanup Program.
- Approved \$3,122,000 in special funds for 25 positions to increase oversight of brownfield sites including underutilized properties and converting backlogged sites to cost recovery. These new positions are expected to address 400-600 site cleanups.
- Approved \$3,482,000 (\$582,000 GF) for cleanup of Leviathan Mine.
- Approved \$4 million in fees to administer the National Pollutant Discharge Elimination System to issue wastewater permits.
- Approved \$1,635,000 GF to support the agricultural waiver program.
- Approved \$1,053,000 in special funds to handle water discharge permitting of confined animal facilities.
- Approved \$693,000 GF for water rights application and change petition processing.
- Adopted trailer bill language to eliminate the sunset of the Petroleum Underground Tank Cleanup Fund.

3960 Department of Toxic Substances Control

- Approved \$3.7 million (\$2.2 million GF) for the operation and maintenance of the Stringfellow Hazardous Waste Site, as well as continuation of the site's removal and remediation activities.
- Approved \$1,569,000 GF for the biomonitoring program.
- Approved \$219,000 in special funds and reimbursements for urban environment clean-ups.
- Approved \$451,000 in special funds to implement pollution prevention concepts, best management practices, training and outreach to proactively reduce the use of chemicals of concern. Specifically, these positions would work on reducing metals in packaging and lead in children's jewelry.
- Approved a redirection of \$431,000 in special funds to evaluate and collect data on treated wood waste. These funds will also be used toward the establishment of an inspection and enforcement program to ensure proper management of hazardous treated wood waste, as well as outreach and guidance to businesses and households.

3980 Office of Environmental Health Hazard Assessment

- Approved \$380,000 GF for the biomonitoring program.
- Approved \$125,000 in special funds to complete and update toxic endpoint analysis of regulated hazardous chemicals, provide technical expertise for the periodic revision of the list of regulated chemicals and the threshold quantities, and to assist Cal-EPA in hazardous substance management standards.
- Approved \$203,000 in special funds to augment the department's Proposition 65 program.

ENERGY AND UTILITIES

3360 California Energy Commission

- Approved \$610,000 in special funds for AB 32 implementation by developing emissions reduction strategies in the energy sector.
- Approved \$486,000 in special funds for implementation of the Million Solar Roofs Initiative.
- Approved \$148,000 in special funds to administer the New Solar Homes Partnership.
- Approved \$534,000 in special funds for two permanent positions and contracts to implement a time-of-sale energy rating program for existing homes in California.
- Approved \$693,000 in special funds for Building Energy Efficiency Standards compliance and enforcement.
- Approved \$118,000 in special funds for one permanent position for appliance efficiency standards enforcement.
- Approved \$953,000 in special funds to conduct petroleum industry reporting and to develop fuel-efficiency standards for tires so that vehicles use less fuel.
- Approved \$399,000 in special funds to support the state's responsibilities for load serving entity forecast analysis and short-term forecasts of electricity demand for assessing electric supply resource adequacy.
- Approved \$500,000 in one-time special funds for contract funds to conduct an evaluation of the PUC's Self Generation Incentive Program.
- Approved \$471,000 in special funds for four permanent positions to conduct natural gas research related to transportation, climate change, and air quality.
- Approved \$746,000 in special funds for six positions to work on climate change, renewables, and electricity distribution research for the PIER electricity program.
- Approved \$244,000 in special funds to develop and adopt a greenhouse gas emissions performance standard and implementing regulations for all baseload generation of publicly-owned electric utilities.
- Approved \$336,000 in special funds for three permanent positions to implement expanded mandates of the California Renewable Portfolio Standard.
- Approved \$800,000 one-time special funds to compile and assess existing scientific studies to determine the potential vulnerability of existing large baseload generation facilities – 1,700 megawatts or greater – to major disruption due to plant aging or an earthquake.
- Approved \$536,000 for designating transmission corridor zones.

**3860 Department of Water Resources
(California Energy Resources Scheduling Division)**

- Approved as budgeted

8660 Public Utilities Commission

- Approved \$705,000 in special funds for seven permanent positions to conduct safety inspections of railroad equipment and facilities.
- Approved \$2,460,000 for implementation of the California Solar Initiative.
- Approved \$108,000 for accelerating the existing Renewables Portfolio Standard by requiring retail sellers of electricity to procure at least twenty percent of their retail sales from renewable power sources by 2010.
- Approved \$211,000 in special funds for Advanced Metering implementation.
- Approved \$950,000 in special funds for 10.5 positions to regulate video services.
- Approved \$596,719 in special funds to consider, develop, and implement performance reliability standards for fiber optic cable telephone emergency services.
- Approved \$486,000 in special funds for five positions to conduct regulations enforcement of charter passenger carrier companies, such as limousine services, that provide service to airports.
- Approved \$98,000 in special funds to implement a new Community Choice Aggregation Program to allow cities and counties to aggregate the electric load of customers in their respective geographical service areas.
- Approved \$300,000 in special funds for 3 auditors for the Division of Ratepayer Advocates.

8665 California Consumer Power and Conservation Financing Authority

- Rejected trailer bill language to eliminate the California Consumer Power and Conservation Financing Authority.

8770 Electricity Oversight Board

- Approved as budgeted.
- Rejected trailer bill language to eliminate the Electricity Oversight Board.

FOOD AND AGRICULTURE

7300 Agricultural Labor relations Board

- Approved as budgeted.

8570 Department of Food and Agriculture

- Approved \$331,000 from Department of Food and Agriculture Fund for the development of a methane capture program in response to AB 32.
- Approved a new program within CDFA, the General Agricultural Activities Program. This program provides the fiscal and policy oversight of federal agricultural grants to California. In addition, this new program coordinates departmental resources and provide centralized communications to the agricultural industry.
- Approved redirection of \$2 million GF to expand private vehicle inspections at border stations.
- Approved \$407,000 GF to support five 1-year limited-term positions to continue a pilot project at Needles to determine the pest introduction risk presented by private vehicles entering the state. The program was piloted in 2006-07 with five 1-year limited-term positions.
- Approves \$4.2 million GF for eradication of the Diaprepes Root Weevil in Southern California.
- Approved \$2 million GF for eradication of the Light Brown Apple Moth.
- Approved \$1.3 million in federal reimbursements for the Specialty Crop Grants to enhance the competitiveness of specialty crop producers.